#### **/LiveRamp**

eBook

## Measurement Primer for Brands

Measure Across All Your Media and Maximize ROAS

#### Contents

- 3 Introduction →
- 4 Essential components of a successful measurement strategy  $\rightarrow$

```
Goals and Key Performance Indicators (KPIs) 

Data 

Channels 

Use Cases 

Technology
```

10 Unlock comprehensive measurement with LiveRamp →

14 LiveRamp measurement use cases →

```
Reach and Frequency Analysis →

Frequency Management →

Incremental Reach →

Outcomes-Based Measurement (ROAS) →

Lift →

Audience Overlaps →

Co-Marketing Analysis →
```

- 22 Best practices to advance your measurement strategy  $\rightarrow$
- 24 Get started →

#### Introduction

Marketers today have more ways than ever to engage their audiences, but understanding which strategies are effective can feel daunting. Media measurement has long been fragmented across a myriad of data sets, privacy regulations, and reporting standards:

- The number of data points has exploded, with 90% created in just the last two years
- Accessing diverse and disparate datasets encompassing exposure, audience behaviors, and conversions – poses growing challenges
- Managing privacy regulations, from national and state laws to individual data permissions, adds another layer of complexity

Even when accessing these datasets, different identifiers that relate to the same customer often prevent a unified view of media performance. These barriers can lead to difficulty in measuring media effectively and unlocking actionable insights. Given this reality, it's crucial for marketers to overcome challenges and develop a comprehensive measurement strategy to effectively assess and optimize their campaigns.

Dive into this primer to guide your journey in measurement. Explore essential components of a measurement strategy, discover how LiveRamp can empower your strategies with impactful use cases, and learn best practices. Ready to get started?

# Essential components of a successful measurement strategy

Begin your journey towards a successful measurement strategy by focusing on these crucial elements: goals, data, channels, use cases, and technology. Let's consider each one.













#### Goals and Key Performance Indicators (KPIs)

Your measurement strategy should establish a clear set of goals, which then translate into KPIs. These should be well-defined, measurable, linked to higher-level business objectives, and set within clear timelines. Your goals provide direction and purpose, guiding all measurement activities toward maximizing the value of your data. Common goals in a measurement strategy include:

- Brand awareness: Measuring the reach and impact of campaigns on brand recognition and recall
- **Engagement:** Tracking interactions such as likes, shares, comments, and click-through rates to gauge audience engagement
- Conversion: Assessing how well campaigns drive desired actions, such as purchases, sign-ups, or downloads
- **Return on Ad Spend (ROAS):** Evaluating financial returns relative to marketing spend to ensure cost-effectiveness
- Customer retention: Monitoring metrics related to customer loyalty and repeat business



#### Data

Data is essential for any measurement strategy, but it can also be one of your biggest challenges. First, think about the data you already have—how can it help you achieve your goals? Then, identify the potential audience(s) and specifically what you want to gain, which will lead you to decide on which partner to work with.

This is where data collaboration comes in.

Data collaboration involves gathering and analyzing data from various sources to unlock powerful insights. There are several ways brands can leverage data collaboration. For example, a publisher can collaborate with a brand by sharing a media performance report. A brand and a publisher can also collaborate in a hands-on analytics environment like a <u>clean room</u>. The insights from data collaboration can help you improve targeting, optimize campaigns, or create new products.

#### Key considerations around data include:

- Data quality: Ensure the accuracy, completeness, and reliability of data to make sound decisions
- Data sources and platform interoperability: Identify and integrate data from multiple sources, including first-party data (e.g., customer databases), second-party data (e.g., partner data), and third-party data (e.g., external databases and market research), regardless of where these datasets are stored
- Data privacy: Align with data protection regulations and promote ethical data usage, with a focus on user consent and transparency
- Data granularity: Improve segmentation, power more precise targeting decisions, and enable the creation of highly personalized experiences with granular data that allows marketers to map individual customer preferences and behaviors
- **Identity:** Before analyzing any data, an <u>identity strategy</u> (and partner) to organize your data around is critical. Without identity, marketers cannot connect the dots across datasets or even measure effectively



#### Channels

Understanding the channels through which marketing efforts are deployed is essential for comprehensive measurement. Key channels include:

- Digital channels: Social media platforms, CTV, retail media networks, walled gardens, email marketing, search engine marketing (SEM), and display advertising
- Offline channels: Traditional media such as TV, radio, print, and in-store promotions

Most often, marketers are looking for cross-channel integration, in which data from both online and offline channels are combined to gain a holistic view of the customer journey.



#### **Use Cases**

Defining specific use cases helps in applying measurement strategies to real-world scenarios. Let's take a look at common use case categories and the questions they help answer:

Use Case	Media delivery	Media effectiveness	Customer intelligence
Category	Ensure that media is delivered efficiently across various channels and devices to maximize ad spend	Understand how effective your media investments are at driving conversions	Discover deeper, actionable insights into customer behavior, lifecycle, and engagement
Insights Unlocked	<ul><li>What is the reach or frequency of my media?</li><li>What is the incremental reach by channel?</li></ul>	<ul> <li>How is media driving conversions like sales?</li> <li>Are some audiences more or less responsive</li> </ul>	<ul> <li>Which audience segments share similar characteristics or behaviors?</li> </ul>
	<ul> <li>What partners are driving the most reach and frequency?</li> </ul>	<ul><li>to the media?</li><li>Are there partners presenting more or less</li></ul>	<ul> <li>How can co-marketing efforts be optimized to benefit all involved parties?</li> </ul>
		opportunity?	<ul> <li>How can I improve interactions at each stage of the customer journey?</li> </ul>

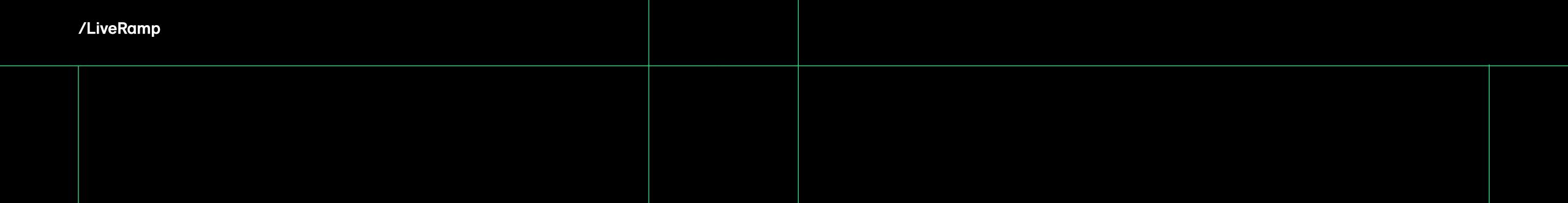


#### Technology

What tools will you leverage to accomplish your measurement agenda? Essential technology components include:

- Identity solution: An identity solution consolidates customer data from various sources into a unified, privacy-centric identifier. A robust identity strategy enables a connected view of the customer that is critical to understanding your audience. Establish your identity solution first as it lays the groundwork for measurement success
- Analysis tools: Marketers typically apply a variety of off-the-shelf analytics tools to measure their campaigns for key metrics such as reach, frequency, lift, and attribution. These can be provided by a publisher, an agency, or a measurement vendor. Look for a partner who can offer a comprehensive range of analysis tools. If you prefer to "own your own" measurement in order to standardize and customize, you might look to engage the cloud platforms and a data clean room vendor to construct your analytics environment

- Cloud platforms: You likely already store a significant amount of your data
  on one or more of the major cloud platforms, and most of your data partners
  will do the same. To enable streamlined data collaboration and ensure
  your data sets are scalable, secure, and meet compliance requirements –
  you'll want to organize your data in the cloud
- Data clean rooms: Brands are leveraging clean rooms to gain new insights from data that was previously not accessible. Clean rooms are a safe and neutral space for data collaboration and partnerships to exist without having access to each other's customer data. Privacy-conscious collaboration with clean rooms enables marketing activities, such as audience building, customer insights, determining reach and frequency, campaign analysis, and customer journey analysis. Look for a partner that offers fully interoperable clean rooms to safely access data from your key partners and new premium datasets in CTV, social, retail media networks, and more



# Unlock comprehensive measurement with LiveRamp

LiveRamp offers a wide range of measurement solutions to support you at every stage of your journey, making it easy to measure effectively no matter your company's size or level of technical sophistication. We empower your teams with data collaboration and measurement solutions tailored to your organization's unique needs. This approach equips you for success by helping optimize strategies, improve decision-making, and achieve meaningful outcomes. Let's look at how LiveRamp powers your business in three key ways.

1

# Measure your campaigns across all channels, including exclusive access to data from Amazon, Google, Meta, Yelp, and Pinterest. Securely share data and analyze performance with new partners across media networks and all major multichannel video programming distributors (MVPDs), CTV platforms, and programmers in the LiveRamp Clean Room, powered by Habu.

#### HERSHEY'S

Hershey's, a well-known and long-established CPG brand, decided to shift its strategy from focusing on individual brands to emphasizing its entire product portfolio. To do so, it needed access to third-party data that would enable the kind of advanced measurement it simply could not perform with existing first-party data. Hershey's leveraged the LiveRamp Clean Room, powered by Habu to streamline existing connections and enhance data access within a large partner ecosystem that included walled gardens and large retail media networks. Hershey's first pursued simpler measurement initiatives inside the clean room before gradually moving to advanced measurement use cases, such as measuring household-level audience reach and performance. Ultimately, the results of its clean room-powered measurement enabled Hershey's to refine segmentation strategies and boost campaigns.

2



60%
lift in search conversions

71%
increase in site visit rates via search

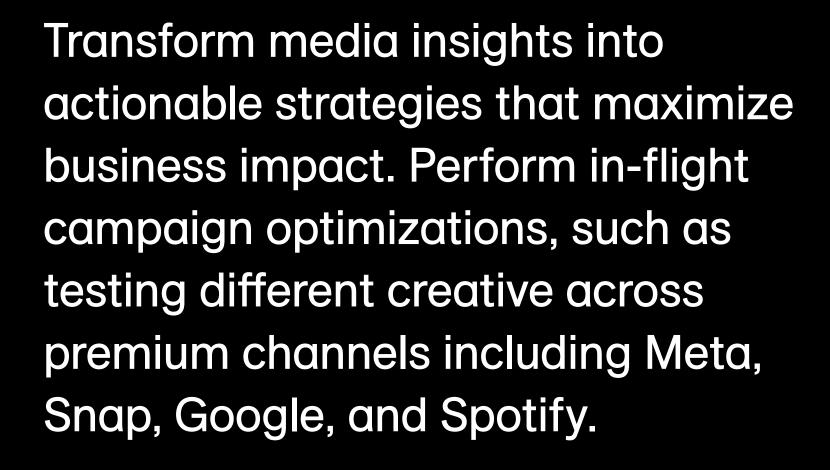
66% rise in Fit Finder completion rates

Seamlessly tie exposures to outcomes for a deeper look at media accountability, from reach and frequency to attribution.

Precisely measure impact, from site visits through purchase, and understand how media network investments drive transactions.

ThirdLove, a rapidly growing, direct-to-consumer women's lifestyle brand, partnered with LiveRamp to measure the impact of their television advertising while considering an expansion of their investment. By leveraging LiveRamp's cross-screen measurement and analytics, ThirdLove was able to accurately assess the incremental value of its holiday TV campaign on site traffic and sales. The results were significant, including a 60% lift in search conversions, 71% increase in site visit rates via search, and 66% rise in Fit Finder completion rates. By working with LiveRamp, ThirdLove confirmed the incremental value of its TV advertising, provided valuable insights for future media strategies, and justified further investment in television as a powerful channel for driving brand awareness and growth.

3





10%
decrease in cost
per acquisition

The French Army, a branch of the French Armed Forces, leveraged the Snap conversion API supported by LiveRamp to boost media measurement and performance. The French Army connected its conversion data to Snap's exposure data via a privacy-conscious API running through LiveRamp. With measurement reporting and campaign optimization enabled by Snap and LiveRamp, The French Army saw its cost per acquisition fall by 10%. Going forward, the improved visibility on ad performance empowers the French Army to make data-driven decisions that maximize business impact.

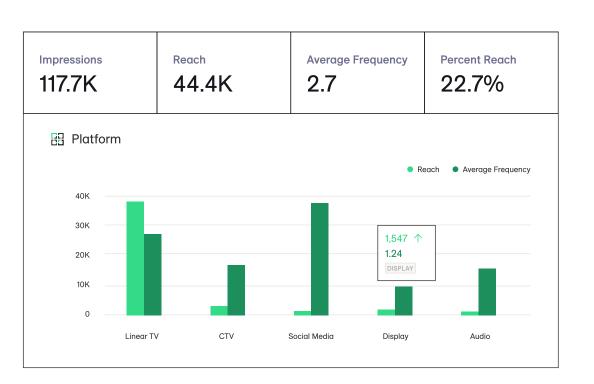
MEDIA EFFECTIVENESS CUSTOMER INTELLIGENCE

### LiveRamp measurement use cases

LiveRamp empowers brands across their measurement journey with use cases that help answer key business questions and fuel actionable insights. Let's explore seven LiveRamp measurement use cases to get started.

#### Reach and Frequency Analysis

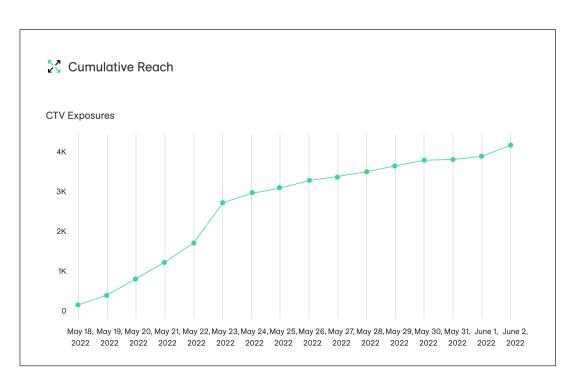
Understand and validate media investments by analyzing true reach and frequency



Objectives	partners, and other CTV and digital partners frequency across differ		fferent media channels to channels and opportunities for freque		els work together to boost reach and ency, improving overall campaign veness	
Insights Unlocked	What is the total reach across  my media investment channels?  What is the average frequency  of my social media investment?		How much overlap is there in audience reach between my TV and digital campaigns?		Which media combinations offer the highest frequency to my most valuable audiences?	
Recommended Actions	Optimize your buys toward the platforms, properties, and creatives that are reaching your target audience most effectively		Identify and implement synergistic media combinations to amplify reach and frequency more efficiently		nedia combinations to amplify reach	

#### Frequency Management

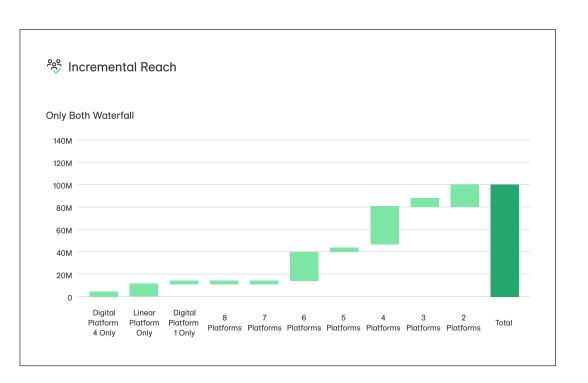
Manage frequency to avoid audience fatigue and maintain campaign effectiveness



Objectives	Pinpoint where your target audience reach plateaus in order to understand your optimal campaign duration	Optimize target audience performance by adjusting buys to match the optimal frequency for your priority KPIs
Insights Unlocked	How do I maintain optimal frequency without causing audience fatigue?	How does changing the frequency impact audience engagement and conversion rates?
Recommended Actions	Adjust creative and ad buy frequency based on user engagement	Review campaign performance weekly and adjust reach and frequency parameters to maintain campaign effectiveness

#### Incremental Reach

Analyze which combination of channels maximize reach without overlap



Objectives	>

Determine the most effective combination of channels and tactics to achieve reach without significant overlap

Extend the reach of media campaigns beyond the core audience to capture incremental audiences likely to engage and convert

#### Insights Unlocked

Which combination of media channels or tactics are driving the most reach?

Which media channels or tactics are not effective in reaching unique audiences?

Which new audience segments were reached as a result of expanding media channels?

#### Recommended Actions

Optimize your plan toward those tactics that are extending reach against key audiences, minimizing duplication

Adjust messaging and creative strategies to resonate with incremental audience segments to maximize engagement and conversion

#### MEDIA EFFECTIVENESS

#### Outcomes-Based Measurement (ROAS)

Establish a feedback loop that links marketing efforts to business outcomes to capture ROI

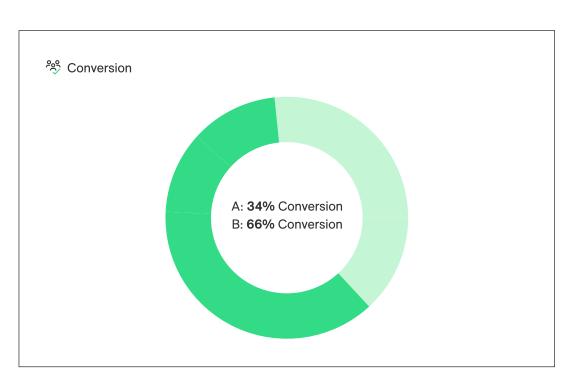
Dates	Region(s)	Ad Format(s)	Targeting
August 30 - September 19, 2022	US	Connected audio, Desktop overlay, Mobile overlay, Sponsored sessions	Beauty buyers, Beaut enthusiasts, Lapsed shoppers, Spanish language and genre
Impressions	29,555,493		
Reach	3,061,192	We associated	а
Average Frequency	9.6	conversions rat	te of
Campaign Attributed Custome	ers 149,132	4	0/
Campaign Attributed Transact	ions 249,304		14/0
Campaign Attrib Transactions	Rev \$12,136,203	TIO	
Average Revenue per Transation	ons \$48.68	with your camp	paign

Objectives	Combine online exposure audience and offline point-of-sale data to connect the dots between ad exposure and purchase behavior at the individual or household level	Understand how expos metrics correlate to cor and revenue		Calculate conversion counts associated with campaign, audience, segment, media
Insights Unlocked	How is media overall driving conversions like offline revenue? Or other key goals like website visitation, app downloads?		Are some audiences more or less responsive to the media?	
Recommended Actions	Allocate budget more effectively across proven high-performance channels or media tactics		Optimize and activate campaigns based on ad effectiveness and sales impact	

#### MEDIA EFFECTIVENESS

Lift

Isolate marketing impact from other variables to understand the true added value of specific tactics



O	bi	ect	tiv	es
	$\sim$ $_{ m J}$		CIV	

Identify the true incremental impact of media exposure on conversions, separating it from organic traffic and other influences

Compare the conversion rate between your target audience and other audience types.

#### Insights Unlocked

How much did my latest campaign increase sales or awareness?

How does the lift vary across different demographics or regions?

#### Recommended Actions

Optimize and activate campaigns by emphasizing tactics and creative elements that drive the most significant lift, while discontinuing or adjusting less effective approaches

Redirect budget towards high-performing channels and campaigns to maximize the return on investment and overall campaign effectiveness

Adjust targeting strategies to focus on the audience segments that show the highest lift, ensuring that future campaigns reach the most responsive and valuable consumers

#### **CUSTOMER INTELLIGENCE**

#### Audience Overlaps

Identify overlapping segments within different audiences to improve campaign effectiveness

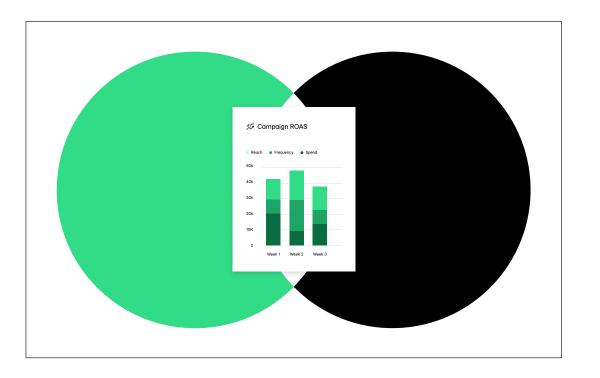
A Demographics				
	All Hous	eholds	First Party A	udience - Switchers
Demographics	Overlap Count	Overlap Percentage	Overlap Count	Overlap Percentage
Age 25-54	<b>•</b> 157	• 1.78%	• 1.9K	• 1.94%
Age 35-64	• 333	• 3.78	• 3.7K	• 3.88%
Age 65+	● 633	<b>7.19%</b>	6.1K	• 6.38%
Gender - Female	● 696	<b>7.91%</b>	● 7.3K	• 7.68%
Gender - Male	<b>•</b> 620	7.04%	7.1K	• 7.48%
Parents	• 883	10.03%	■ 10.2K	0 10.7%
Light TV Viewers	• 1.7K	• 19.17%	• 18.2K	• 19.03%
Heavy TV Viewers	● 1.5K	• 17.57%	• 16.9K	• 17.7%

Objectives	Perform audience demographic profiling to better inform media plan and investment decisions	Discover audience viewership behaviors to better inform media plan and investment decisions		Identify and understand overlapping segments within different audience groups to streamline targeting and enhance the efficiency of marketing campaigns
Insights Unlocked	Which audience segments share similar character or behaviors?	ristics	How can overlapping segments be leveraged to maximize campaign reach and relevance?	
Recommended Actions	Leverage the same data for targeting and measurement by ingesting third- and first-party audiences	Optimize messaging ar by targeting shared cho overlapping audiences		Develop targeted campaigns that speak to these overlaps to enhance relevance and engagement

#### **CUSTOMER INTELLIGENCE**

#### Co-Marketing Analysis

Collaborate with partners and optimize joint marketing campaigns



Objectives	Collaborate with partners to extend reach and leverage shared audience insights, maximizing the impact of joint marketing efforts		Coordinate campaigns to exploit synergies between partnering brands		
Insights Unlocked	What are the strengths and audience insights of each partner, and how can they be integrated in my future marketing strategies?		How can co-marketing all involved parties?	efforts be optimized to benefit	
Recommended Actions	Share audience data and insights to develop unified campaigns that appeal to combined customer bases	Refine co-marketing str customer segmentation and impact		Activate compelling campaigns across channels that motivate your identified audiences to action	

# Best practices to advance your measurement strategy

To help organize your measurement journey and establish guideposts along your way, let's consider 10 high-level measurement best practices. Use these to ensure your measurement workflow runs smoothly and produces actionable results.

- 1 Understand your capabilities: Before starting, it's crucial to fully understand what your measurement solution and your collaborating partners offer in terms of data analysis, the types of data available to you, and the privacy controls that are in place. This understanding helps in aligning your capabilities with your objectives.
- Identify all measured data sources: Identify and categorize the channels and touchpoints you want included as part of your measurement solution, from exposure data, conversion data, and first-, second-, and third-party audiences.
- Establish an identity strategy: Identity is critical for data collaboration and measurement success. Work with your measurement solution provider to establish an identity framework, and make sure that the insights you look to glean are in alignment with business objectives.

- 4 Set clear goals: What do you want to achieve from your measurement strategy after six months? After 12 months? After two years? Have a clear set of objectives and questions that you need answers to. This focus helps in designing the right queries and analyses without overstepping any data privacy boundaries.
- Be intentional with your data: Only seek and access necessary data. Avoid including data in your strategy that doesn't contribute to your objectives in order to better streamline analysis and reduce implementation time.
- Measure for action: Align your measurement cuts and aggregations to match your purchasing actions. Prioritize views and taxonomies of data that align with optimizations you can actually make. Measuring your actions should get you measurements that are actionable.
- Measurement is not the same as reporting: Be wary of trying to "overcut" your measurement. You do not want to let the behavior of a few dozen households determine the allocation of your ad spend. Validate that your desired taxonomy will ensure successful and stable measurement.

- 8 Increase your audience understanding with trusted third-party data:

  Leverage a data clean room to tap into the vast array of trusted data
  sets, including demographic, behavioral, and transactional data, to gather
  deeper insights into customer behavior and viewership habits.
- Optimize continuously: Leverage insights from your partnerships to enable ongoing refinement and improvement of your advertising strategies and investments based on audience and efficiency learnings.
- 10 Regularly review and update your strategy: Consumer data strategies need to evolve over time. Plan on continually assessing the effectiveness of your strategy, review emerging technologies and trends, and adapt accordingly. Stay informed about changing regulations and industry best practices.

#### **Get Started**

In today's fast-paced digital landscape, measurement is no longer just a nice-to-have – it's a requirement for brands looking to stay competitive and drive meaningful results. As we've seen, a robust measurement strategy empowers you to unlock valuable insights, optimize campaigns, and maximize marketing impact across channels. In pursuing your own measurement strategy, LiveRamp delivers value on multiple levels. With our comprehensive suite of data collaboration solutions, we're ready to meet you wherever you are on your measurement journey. Whether you're just getting started or looking to take your measurement strategy to the next level, LiveRamp has the solutions, expertise, and partner ecosystem to help you succeed.

It's time to transform your marketing efforts with data-driven insights. Explore the world of comprehensive measurement with LiveRamp today, and start turning your data into actionable insights that power business growth.

Take a quick <u>interactive product tour</u> to learn more about our comprehensive measurement capabilities.

#### /LiveRamp

LiveRamp is the data collaboration platform of choice for the world's most innovative companies. Visit us at <u>LiveRamp.com</u>

